

Audit's[®] MARKET ANALYSIS OF REITS AND REAL ESTATE COMPANIES

Realty Stock Review

NOVEMBER 24, 1989 (Priced Nov. 20)

Volume XX, Number 22

Market Strategy: Realty Stock Softness Signals Caution

Indicators Turn Negative For Both the Broad Market and Most Realty Stocks

LED RSR 112489 B/D/KS

The stock market, it seems, can't stand peace. We refer of course to the swift cutbacks in prices of the so-called defense stocks, now that democracy is breaking out all over Eastern Europe and the Defense Dept. is suddenly talking about massive budget cuts.

All this is triggering talk about previously unmentionables, to wit (1) the economy may be on the brink of a deeper-than-expected recession, and (2) Defense Dept. cuts may suddenly boost unemployment and maybe bring the Federal budget into near balance.

On the former, we told you in our Nov. 10 issue to expect lower interest rates, and these new events make us think we understated the case for lower rates. In the intervening two weeks, October housing starts rebounded 12% to a 1.42 mil. unit annual rate, with lower rates getting the credit. Selected homebuilders still look like good candidates to lead the U.S. out of recession.

On the latter, don't bet on a balanced Federal budget. The East Bloc nations want Uncle Sam to help foot the bill for converting to market economies, as witness Polish leader Lech Walesa's visit to the U.S. this past week.

Bearish indicators. After thrashing aimlessly through most of Sept. and Oct., the stock market turned decidedly negative in November. Broad market indicators such as the ratio of new highs to new lows, and advances to declines, are moving down.

Measured by these same indicators, realty stocks are decidedly bearish, and only two realty stocks touched new 52-

week highs the past month: **Rockefeller Center Properties Inc.** (see p.3) and **Winthrop Insured Mortgage Investors II (WMI:ASE)**. In contrast an even 100 realty stocks hit new lows. The 50-to-1 imbalance overstates the weakness in realty stocks, since declines are running only 4-to-3 ahead of advances.

On the fundamental side, our tally of 134 third quarter earnings reports ran 5-to-4 on the negative side, with 73 companies reporting EPS/CFS declines vs. 59 gainers and two unchanged. Four realty stocks boosted dividends last month while three either omitted or reduced payout. The four increases:

Cedar Income Fund raised 4% to 52¢ annual rate (13¢ qtr.); **Interstate General L.P.** rose 11% to 80¢ annually (20¢ qtr.); **Washington REIT** boosted 8% to \$1.08 annually (27¢ qtr.); and **Western Inv. Real Est.** moved up 2.9% to \$1.40 annual rate (35¢ qtr.). Two former Consolidated Capital REITs, now named **Continental Mtg. & Equity (CMETS:OTC)** and **National Income Realty (NIRTS:OTC)** respectively resumed payments last month and vote

Dec. 21 on abandoning plans to liquidate.

On the downside, **Burger King Investors L.P.** cut regular payout 4.4% to \$1.72 annual rate (43¢ qtr.) after paying an 8.03¢ special after selling some properties; **HealthVest (HVT:ASE)**, the medical leaseback REIT sponsored by troubled Healthcare Int'l., omitted payout; and **Property Capital Trust (PCT:ASE)** posted new payout rate of \$1.12 annually (28¢ qtr.) after deciding it wouldn't liquidate as announced previously. PCT previously paid 37¢/qtr.

PORTFOLIO SELECTOR CHANGES: However measured, the market for realty stocks appears weak to us and we are urging investors to approach stocks with caution. We've reduced our suggested limit prices for 11 Portfolio Selector stocks on page 2 and deleted these two stocks for fear they may not do well in the projected economic climate:

Fairfield Communities Inc. (FCI:NYSE), a diversified Sunbelt housing and community developer, has begun an offer to exchange \$32.25 mil. of 14.25%

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NOW AVAILABLE: Our revised brochure describing Audit's money management services. Our companion service REALTY STOCK DIGEST contains complete EPS, dividend and news reports on 250 realty stocks. Subscribers may call toll free 1-800-441-8414 or write for a free sample copy.

Portfolio Selector of Stocks For Investment Goals

Portfolio Selector is designed as a working tool for your use in selecting stocks under current market conditions and prices.

Key elements of Selector are:

1. Current Pricing Limit and Stop Loss Points for Each Stock. We suggest initial, or limit, purchase prices in the right hand column which we would follow in placing buy/sell orders with brokers. Stocks marked with a "#" sign are selling above suggested limits and "hold/buy on

declines" is advised. Limit/stop loss prices are changed monthly with the market; current stock prices are shown in the adjoining column.

2. RSR's Exclusive Ranking. REALTY STOCK REVIEW ranks actively traded stocks from A to E, with A Ranked stocks recommended and included in Selector (see page 8). Some B and C Rank stocks are added for selection.

3. Stocks Grouped for Investment Goals. Stocks are grouped into five major

categories reflecting major investment goals. The first four groups are tailored for mainstream, risk-averse investing. The fifth group, Aggressive Recovery, contains stocks whose yield and recovery are more speculative, hence riskier.

4. Total Return Measurement. Total return from both price change and dividends for the last 12 months is shown.

5. Location and Region. Selector lists major property types and regions so you can balance holdings.

Stock (RSR Review)	RSR Rank	Prop. Type	Prop. Region	12 Mon. Tot.Ret.	Current Price	Advice/Limit/Stop Loss	Stock (RSR Review)	RSR Rank	Prop. Type	Prop. Region	12 Mon. Tot.Ret.	Current Price	Advice/Limit/Stop Loss
STABLE INCOME WITH ASSET VALUE GROWTH Seasoned Equity REITs and Income Property Owners							LONG TERM GROWTH VIA VALUE CREATION/RATE RISKS/PRICE VOLATILITY Land & Income Property Developers, Homebuilders						
Bradley Rl.(10/20/9)	A	SC	MW	(17.9)%	\$10.00	Buy to 12 (Z)	Amrep Corp.(9/15/9)	C	LAND	NM	(6.1)%	\$7.63	Buy to 8
BRE Props.(10/20/9)	A	APT/SC	CA,WA	+3.8	28.88	Buy to 31	*Centex Corp.(11/10/9)	A	HSG/MTL	NAT	+25.9	33.00	Buy to 37
Burnham Pac.(10/20/9)	A	SC/OFF	CA	+13.3	19.88	Buy to 20	Genl. Dev.(9/15/9)	C	LD/HSG	FL	(6.8)	12.00	Hold/Buy to 14
Chicago Dock(3/10/9)	B	LD	IL	(2.0)	24.50	Hold/Buy to 26	*Hovnanian Ent.(11/10/9)	B	HSG	NJ,FL	+21.7	9.13	Hold/Buy to 11
Cousins Prop.(3/10/9)	A	LD/OFF	GA	+17.1	17.25	Hold/Buy to 18	Inter.Genl.LP(9/29/9)	B	LD/APT	MD,PR	+22.6	7.13	Buy to 8.5
Dial REIT (10/27/9)	B	SC	MW	+11.3	17.25	Buy to 19	*K&B Home(11/10/9)	A	HSG/CML	CA,FR	+85.0	15.63	Hold/Buy to 18
Federal Rl.(10/20/9)	A	SC	NE	+19.5	23.13	Buy to 24.5	*Lennar Corp.(11/10/9)	A	HSG	FL	+18.6	21.25	Hold/Buy to 22
HRE Props.(4/21/9)	A	SC/OFF	NAT	(3.2)	22.88	Hold/Buy to 23	Newhall Land(9/29/9)	A	LAND	CA	+32.0	59.00	Hold/Buy to 65
IRT Prop.(10/27/9)	A	SC	SE	(5.4)	12.38	Buy to 14	Oriole Home(5/26/9)	B	HSG	FL	(2.2)	9.25	Hold/Buy to 10
Intl.Income (4/28/9)	A	SC	NAT	+7.2	13.50	Hold/Buy to 14	*Ryland Gr.(11/24/9)	A	HSG/MTG	NAT	+19.4	20.75	Hold/Buy to 22
Koger Eq. (3/10/9)	B	OFF	SE	+2.2	18.13	Buy to 19	*Std.Pacific LP(11/10/9)	A	HSG	CA	+49.6	15.63	Buy to 17
New Plan Rlty(10/27/9)	A	SC	NE	+23.8	17.25	Buy to 17#	*UDC Univ.Dev.(11/24/9)	B	HSG	CA,AZ	+33.0	23.25	Buy to 25
Penn. REIT (10/27/9)	A	SC/APT	NE	+19.6	23.75	Hold/Buy to 24	GROUP				+26.3%		
REIT of Cal.(10/20/9)	A	SC/OFF	CA	+8.8	15.75	Hold/Buy to 16	AGGRESSIVE RECOVERY/TAKEOVER CANDIDATES/LIQUIDATIONS Speculative yield, Uncertain Outcome, High Price Volatility						
Santa Anita(4/28/9)	A	SC/RACE	CA	(4.0)	29.00	Hold/Buy to 31	CleveTrust(8/12/8)	C	OFF/SC	SW	(20.8)	4.75	Hold/Buy to 5
Utd.Dom.(10/27/9)	A	APT	VA,NC	+5.3	17.75	Buy to 19	Copley Prop.(6/23/9)	B	IND	W	(24.7)	11.75	Buy to 13
Washington REIT(4/21/9)	A	OFF/APT	DC	+8.2	19.38	Hold/Buy to 20	Duke Rlty.(10/27/9)	B	OFF/IND	IN,OH	+3.2	5.13	Buy to 5.5
Weingarten Rl.(10/20/9)	A	SC	TX	+26.6	30.38	Hold/Buy to 30#	First Union(10/20/9)	A	SC/OFF	NAT	+2.1	16.88	Buy to 18
Western Inv.RE(10/20/9)	A	SC	CA	+12.3	18.13	Hold/Buy to 19	Hlth.Care REIT(6/14/9)	B	MED	MW	+31.8	13.75	Buy to 14.5
GROUP				+7.5%			Hotel Inv.(10/27/9)	C	HOT	NAT	(4.2)	7.50	Hold
HIGHER INCOME, LOWER GROWTH & INTEREST RISKS Mortgage Finance, Fixed & Participating Mortgage REITs, Leaseback REITs							ICM Prop.(6/23/9)	B	OFF	NAT	(14.6)	7.63	Buy to 8
Eastgroup Pr.(12/9/8)	B	OFF/SC	NAT	+1.5	20.50	Hold/Buy to 21	*Leisure Tech.(11/24/9)	C	RET/HSG	CA,NJ	(17.3)	3.00	Hold/Buy to 3.5
Fed.Nat.Mtg. (8/11/9)	A	MTG	NAT	+169.0	40.38	Hold/Buy to 40#	MGI Props.(7/8/8)	A	APT/OFF	SE/MW	(16.3)	13.50	Buy to 15
Health Care Pr.(6/14/9)	A	MED	NAT	+20.4	29.13	Offer pending	MONY Real Est.(5/13/8)	B	IND/SC	NAT	+8.9	8.13	Buy to 8.50/Liq.
Mellon PMT(8/25/9)	C	SC	NAT	(2.8)	6.50	Buy to 2	MSA Rlty.(8/25/9)	C	SC	MW	+16.8	9.38	Hold/Buy to 10
Mtg.&Rlty.(8/25/9)	B	DIV	NAT	+1.5	15.25	Buy to 17	Prop.Tr.Am.(7/8/8&7/28/9)	A	SC/APT	TX,CO	+7.1	9.63	Hold/Buy to 10
Mtg.Inv.Plus(12/23/8)	B	OFF	CA	+7.5	7.13	Buy to 8	Sizeler Inv.(7/8/8&7/28/9)	B	SC	LA	+2.1	13.63	Buy to 14
Rock.Ctr.Prop.(6/23/9)	B	OFF	NY	+16.5	21.00	Buy to 21	Webb (Del) Co. (9/15/9)	B	HSG	AZ,NV	(32.3)	8.13	Buy to 9
Univ.Hlth.Rl.(6/14/9)	A	MED	NAT	+29.5	13.75	Hold/Buy to 13.5#	GROUP				(4.9)%		
GROUP				+30.6%			FASTER GROWTH, DEVELOPMENT RISKS PLUS PRICE VOLATILITY Investment Builders, Income Property Owners, & Equity MLPs						
EOK Green Ac.LP(7/28/9)	A	SC	NY	+1.0	11.75	Buy to 13	All Stocks Except Recovery Group				+15.5%		
Equit.RE Sh.LP(7/28/9)	C	SC	MI,MN	(2.3)	7.75	Buy to 9	S&P 500				+29.5%		
Forest City(9/15/9)	B	SC/OFF	NAT	+11.3	44.50	Buy to 50	RANKING CHANGES: Del Webb C to B DELETED: Fairfield Commun., Natl. Realty LP						
Koger Prop.(3/10/9)	A	OFF	SE	+5.5	24.75	Buy to 2	Property types: APT=Apartment; CML=Commercial; DIV=Diversified; HOT=Hotel/odging; HSG=Housing; IND=Industrial; LD=Land Devel.; MTL=Motel; MTG=Mortgage; OFF=Office; RACE=Race track; RET HSG=Retirement housing; SC=Shopping Center; S&L=Savings & loan; Property locations: NE=Northeast; SE=Southeast; SW=Southwest; MW=Midwest; W=West; NAT=National. States are Postal Service code. Buy limits are approx. maximum purchase prices at publication date. Additions or changes underlined; Review with comment dates in paren. * Reviewed in November. issues. # Stock selling above limit price. z-Audit affiliate involved in pending or recent transaction.						
Perini Inv.(9/15/9)	B	OFF/IND	NAT	+7.1	16.00	Hold/Buy to 17							
Rouse Co.(9/15/9)	A	SC/LD	NAT	+13.3	25.50	Buy to 27							
Shopco Lau.LP(7/14/9)	C	SC	MD	+6.0	9.38	Buy to 10							
GROUP				+7.8%									

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AUDIT INVESTMENTS, INC., 136 SUMMIT AVENUE, MONTVALE, NJ 07645-1720 Phone (201) 358-2735

KENNETH D. CAMPBELL, EXEC. EDITOR/ FAYE KREISMAN, STATISTICS/ MICHAEL HOUSTON, ANALYST.

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subordinated notes due Dec. 31, 1989 for 15.0% senior subordinated secured notes due 12/91. FCI says both its bank lines and cash available from financing subsidiaries are insufficient to fund the maturing notes. Also, Hurricane Hugo in Sept. hurt sales at FCI projects in Myrtle Beach, SC and St. Croix, Virgin Islands. Even a successful exchange will lengthen FCI's projected recovery and lessen near-term attractiveness (see RSR, Sept. 15).

National Realty L.P. (NLP:ASE) is removed because continuing losses postpone recovery. NLP lost \$1.12/un. in the Sept. quarter, including 49¢/un. provision for value declines in some properties and 9¢/un. litigation costs. While NLP continues paying 80¢/un. annual distribution, property maintenance to sustain competitiveness is clearly a priority and we're not sure payout can be maintained. We'll keep monitoring NLP.

Del Webb Corp. (WBB:NYSE) is added to our Aggressive Recovery category as noted in RSR Nov. 10. Rank is raised to B. WBB has sold its hotel/casino and recreational operations to focus on building senior retirement communities in the West. Sept. qtr. EPS were well ahead of expectations and with backlog increasing, we see a good earnings gain to 50¢-\$1/sh. range in 1990.

First Union Real Estate (FUR:NYSE) is moved from Stable Income/Asset Growth group to Aggressive Recovery group to reflect FUR's operating cash flow record and outlook. FUR stock has fallen 41% since peaking at \$28.50 in 1987, reflecting weaker operating CFS. While we see evidence of renewed operating CFS growth, current quotes around \$16.63 give room for recovery. Comments on Portfolio Selector stocks:

Copley Properties Inc. (COP:ASE) is retained in Selector even though the stock has plunged in recent trading to \$11.75 at press time. Shares now sell at just about half COP's \$23.37/sh. estimated current value last Dec. 31. COP's plunge traces to reports its Sept. qtr. CFS fell 32% to 30¢/sh., or not enough to cover the 36¢ dividend. We've lowered our suggested

limit purchase price to 13 for recovery.

Rockefeller Center Properties Inc. (RCP:NYSE) surged to a new high of \$22.13 last week on heavy volume but no news. Our only explanation is the feeling that purchase of a 51% interest in Rockefeller Group, Inc. by Japan's Mitsubishi Estates Co. (RSR, Oct. 27) enhances value of RCP shares.

Our reasoning: Mitsubishi paid \$846 mil. for a seat at the table with the Rockefellers and a 14.5% undivided interest in the real prize, 6.2 mil. sq.ft. Rockefeller Center. RCP owns a \$1.3 bil. mortgage convertible into 71.5% ownership of the Center in December 2000. If Mitsubishi spent \$100 mil. a year for the next 11 years to buy RCP stock and bonds, they could easily wind up owning the entire center plus boosting their cash flow along the way. We continue to rate RCP shares a buy to \$21.

Prime Motor Inns L.P. (PMP:NYSE), not in Portfolio Selector, will ask unitholders to convert to REIT status. Simultaneously PMP would pay a \$2/sh. special dividend to compensate for the early end to sponsor Prime Motor Inns \$2/un. annual guarantee. PMP units fell as low as \$11.25 on the news, largely because Street expectations that the \$2.04/un. dividend would fall to about \$1.00-1.20/sh. as a REIT. Our last analysis (RSR, July 14) indicated that PMP's 16 Holiday Inns could support about \$1.50/un. payout ex sponsor support. PMP says this may be ambitious but will propose buying five new Howard Johnson's from Prime to boost cash flow. We continue to see PMP as a recovery situation.

Bay Financial Corp. (BAY:NYSE) sought Chapter XI protection Nov. 20 after a long string of operating losses and cash flow drain. BAY reported current net asset value of \$6.02/sh. at end of its June 1989 fiscal year, down 77% in the year. In July it sold a major office project in Waltham, Mass. for a \$39.9 mil. pretax gain but most cash went to repay debt. Earlier **Southmark Corp. (SM:NYSE)** and **Lomas Financial Corp. (LFC:NYSE)**, both diversified real estate financiers, preceded BAY into Ch. XI.

One Land Company and Two Mortgage REITs Added

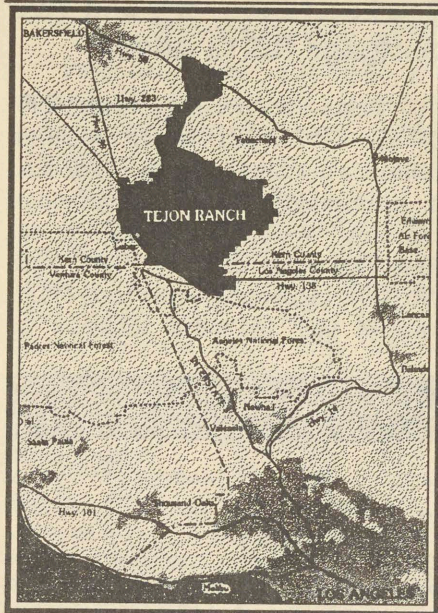
Tejon Ranch Co. (pronounced tā-HONE--TRC:ASE) is an old-line California ranching company whose land is increasingly feeling urbanization pressures. We are adding TRC to our diversified group (No. 10). TRC owns 270,000 acres about 60 miles north of Los Angeles and 16 miles southeast of

CURRENT ASSET VALUE COMPARISONS

	DATE	CURRENT VALUE/ SHARE	% PRICE TO CUR. VALUE
QUALIFIED REITS			
BRE PROPERTIES #	7/89	\$36.75	-21.0%
BURNHAM PAC PROP#	12/88	\$18.50b	7.4%
COPLEY PROPS #	12/88	\$23.37	-49.7%
DUKE RLTY INVST #	12/88	\$ 8.31	-38.3%
FEDERAL REALTY#	12/88	\$21.50b	7.6%
FIRST UNION RE#	12/88	\$26.25b	-35.7%
GRUB&ELLS REIT	12/88	\$ 9.36	-26.5%
HRE PROPERTIES #	10/88	\$27.50b	-16.8%
INTL. INCOME PR#	12/88	\$19.17	-29.6%
IRT PROPERTY CO#	12/88	\$16.00b	-22.7%
MSA REALTY CORP #	12/88	\$12.35	-24.1%
NEW PLAN RLY TR#	7/88	\$16.27	6.0%
PENN REIT#	8/88	\$26.00b	-8.7%
PRU RL CAPITAL #	12/88	\$ 2.43	-61.4%
SANTA ANITA	12/88	\$27.82	4.2%
SIERA CAP RLY IV#	12/88	\$ 8.00	-50.0%
SIERA CAP RLY VI#	12/88	\$ 8.82	-50.4%
SIERRA RE EQ83#	12/88	\$10.21	-46.1%
SIERRA RE EQ84#	12/88	\$ 8.37	-52.2%
TRAML CROW REI#	12/88	\$11.46	-56.4%
USP RL EST INV#	12/88	\$ 9.44	-37.8%
UTD DOMINN RLY#	12/88	\$20.50b	-13.4%
WASH RE (WRIT)#	12/88	\$17.00b	14.0%
WEINGARTEN RLY#	12/88	\$23.00b	32.1%
WESTERN INV RE#	12/88	\$19.00b	-4.6%
AVERAGE (25 REITS)			-23.0%

OPERATING COMPANIES			
BAY FINCL CORP	5/89	\$26.02	-81.3%
EQK GRN ACRES LP#	12/88	\$13.93	-15.6%
EQUITABLE RE SC #	12/88	\$10.22	-24.2%
FOREST CITY-A#	1/89	\$70.00b	-36.4%
FOREST CITY-B#	1/89	\$70.00b	-28.2%
FORUM RET PFD UN#	9/89	\$ 9.96	-68.6%
LA QUINTA MTR IN#	12/88	\$15.75b	-55.6%
MAJOR REALTY	9/87	\$22.00	-44.3%
NATIONAL REALTY	12/88	\$26.00b	-82.2%
NEWHALL LAND	12/88	\$48.48	21.7%
PERINI INV PR#	9/89	\$24.77	-35.4%
PRIME MTR INN LP#	12/88	\$20.90b	-42.0%
RED LIONS INNS #	12/88	\$17.00b	8.1%
ROUSE CO#	12/88	\$30.65	-16.8%
SHOPCO LAURL CTR#	12/88	\$11.40	-17.8%
SOUTHWEST RLTY#	2/89	\$ 3.70	-62.8%
AVERAGE (16 Companies)			-36.3%

Current market values of net assets (i.e., properties held) are reported publicly by companies. Values are estimated by management and concurred in by independent appraisers except for: New Plan Realty, management estimate only. Share values are fully diluted. a-Entity has not revalued mortgages. b-Estimated by RSR; not confirmed by Trust.



Bakersfield (see map). It lies about 40 miles north of Newhall Land & Farming's new town of Valencia and Interstate 5, California's main north-south artery, slices through the western end of the ranch, already spurring travel-related development. The southern part lies in

huge Antelope Valley, where homebuilders such as Kaufman & Broad Home are already building.

TRC operates mainly in volatile farming businesses, mainly grapes, pistachios, livestock, oil and minerals. It earned 17¢/sh. for the 12 months through Sept. and pays 5¢ annual dividend. Book value is \$2.38/sh. on 12.68 mil. shs. Traded at \$48, TRC stock is not cheap at 282 times earnings and 20 times historic cost book value. Times-Mirror Co. of Los Angeles owns 30.1% and institutions hold 19.6%. With intensive development years away, TRC is a buy on large dips for very long-term holding. Place orders with caution since the stock is very thin.

Capital Housing & Mortgage Partners, Inc. (CAP:ASE), a new REIT following conversion from a limited partnership, is added to Mortgage REITs-Group 4. CAP owns \$43.2 mil. mortgages all secured by apartments. Loans are divided 47% in participating mortgages, 38% Federally insured mortgages bought near par, and 15% in Federally insured

mortgages bought at discounts. CAP is unleveraged. CAP dividends are estimated at 71¢ to 74¢ annually. Book value is \$8.82/sh. on 4.98 mil. shs. We see shares mainly for about a 10% dividend income and modest gains potential.

VMS Mortgage Investment Fund (VMG:NYSE), a REIT sponsored by the VMS Realty organization of Chicago, joins Group 5-Participating Mortgage. We're adding VMG just as its sponsor announced it was taking \$110 mil. in charges to write off some properties and receivables. Xerox Credit Corp., 25% owner of VMS, will inject \$125 mil. Concern that VMS' ills may spill over into VMG sent VMG shares tumbling as low as \$4.63. If VMG's current \$1.20 dividend — guaranteed by VMS through Dec. 1990 — holds, shares would yield over 20% at current quotes of \$5.75. VMG has committed or loaned about \$300 mil. to affiliates of the sponsor, owner and operator of resort properties such as Boca Raton Hotel and Rockresorts. With much uncertainty here, we'd make only very speculative commitments.

LEISURE TECHNOLOGY CORP. (LVX:NYSE) RANK C

LVX, national builder of adult communities operating in Calif., N.J. and N.Y., is now entering non-age restricted single family housing. In Feb. 1989 LVX's LeisureCare entered a joint venture with a large Japanese steel company, Nisshin Steel, to build up to 44 congregate care centers over the next 10 years. With the number of projects expected to double in FY 1991, LVX hopes to double sales to \$300 mil. in 3 years. We retain in Portfolio Selector but move to the Aggressive Recovery group reflecting the more leveraged nature of the holding.

Gut Issue: Can California operations make up for slack Northeast markets and put LVX in the black for 1990? LVX must shoulder hefty leverage while seeking to grow sales in diversified markets. Calif. and N.J. have traded places in LVX' produce mix: In 1990, Calif. closings are 58% of total homes sold, while N.J. has fallen to 30%. A year ago N.J. accounted for 56% of closings vs. 31% for Calif.

The relatively strong Calif. market has picked up some slack. The higher priced California units boosted LVX' average sales price 41% to \$242,800 through Sept. Gross profit margins narrowed to 25% of housing sales, vs. 30% in 1988, because of extreme competitive pressures in the Northeast. A land sale added \$1.59 mil. to gross profit. Withal, LVX was still unable to achieve positive earnings in the half-year through Sept., losing 22¢/sh. against 11¢ loss in 1988.

Leverage drag. Part of the earnings disappointment traces to high debt service levels and three preferred stock classes that get to the table before common holders. Debt service in the half is up 58% to \$6.0 mil. Preferred dividends took another \$1.0 mil. LVX leveraged itself by selling \$40 mil. of 15.75% notes in Oct.

1987; projects started with that money are now coming on stream and should aid 1991 EPS. And with LVX' hefty 4.2 debt leverage, higher volume could turn EPS positive in short order.

Earnings outlook. Contributing to LVX' negative numbers to date are generally weaker markets. Six month bookings dropped 27% to 269 units and closings fell 10% to 263 DU. Backlog however soared 35% to 367 units with \$96.8 mil. dollar value, up 29%. We expect EPS to be positive in the second half but expect LVX to show a narrowed loss of about 10¢/sh. for the March 1990 year. Fiscal 1991 looks much better however, because LVX will be delivering homes in 18 communities, vs. 8 in 1989. Also, LVX' higher margined Calif. tracts should bulk even larger in total revenues, and the joint venture with Nisshin Steel may generate some revenues.

Advice: Hold shares for speculative recovery. Despite LVX' erratic recent EPS performance, shares can be held for long-term recovery based on stronger finances and joint ventures, broader product offerings, and strong land position. (MJH)

LVX:NYSE Rank C March yrs. 5.43 mil. shs.
Price: \$3.00 Div. None Yld. 0.0% P/E Ratio: NM

Year	Op.EPS	Div.	High	Low	Pr.X EPS
1986	\$0.31	\$0.00	\$8.13	\$4.75	26.2-14.9
1987	0.87a	0.00	9.13	4.38	10.5- 5.0
1988	1.00	0.00	9.38	3.00	9.3- 3.0
1989	d0.20	0.00	5.50	3.00	d - d
1990E	d0.10	0.00	6.50	3.63z	

d-Loss after pfd. divs. z-To date.

a-Excl. extra items: d\$0.66 debt retire. loss-'87. EPS diluted.

Share data: Institutions own 28.6%; insiders 34.4%. Avg. weekly volume: 68,500 sh. **Finances 9/89 (Mil.\$):** Debt: \$204M; Equity: \$51.1 mil. incl. \$23.3 mil. pfd. (Liquidation value); Net common equity \$27.78M or \$5.11/sh. Debt/equity ratio: 4.17-1. **Address:** 12233 W. Olympic Blvd., Los Angeles, Cal. 90064. (213) 862-1000.

UDC-UNIVERSAL DEVELOPMENT L.P. (UDC: NYSE) RANK B

UDC, a master limited partnership, continues to record earnings gains. UDC builds retirement and family communities in Phoenix, northern and southern Calif., and Palm Beach County, Fla. UDC also builds homes and townhomes in N. and S. Carolina and Atlanta. In August 1989, UDC sold 2.3 mil. shares of Series B preferred units at \$25/sh. in two transactions and concurrently repurchased 2.2 mil. of its common units. Units at B Rank are added to Portfolio Selector.

Gut issue: How much longer can UDC maintain its phenomenal growth of operations? UDC has clearly come up a winner amid a soggy national housing market. UDC credits savvy land optioning as a major factor in its ability to price effectively. This has helped maintain margins through the housing slowdown. Gross margins of 22.6% are off slightly from the 23.4% posted in the previous nine months but indicate continuing strength in UDC's operating markets. UDC continues to find gold in the single family move-up market, which now accounts for about 2/3 of closings. At this stage it appears the only pitfall for UDC would be a long recession.

UDC controls land mostly through land partnerships it helps organize, with UDC agreeing to take down lots on a schedule. UDC should end 1989 with controlled land available for approx. 20,000 homesites. About 85% of these sites are controlled by partnerships. The technique gives UDC control over future land without burdening its balance sheet with land-related debt.

Earnings. We expect UDC to earn about \$4.15/sh. in 1989, with a further gain to about \$4.50 in 1990. So far 1989 is a bellringer: in the Sept. nine months UDC earned \$2.74/unit, up

25%, on revenues that rose 23% to \$255.0 mil. In the Sept. quarter EPS was up 22% to \$1.05/share. Closings in the nine mon. to Sept. rose 24% on a dollar basis to \$244.0 mil. and 11% on a unit basis to 2,117 DU (only 63 homes short of total closings in 1988). Net new orders rose 26% through Sept. and Sept. backlog was up 34% in dollars over 1988 to \$215.4 mil., and up 22% in units to 1,284 units. This backlog virtually assures UDC's typically strong closing quarter.

Advice: Buy shares to about 25; we are adding UDC to Portfolio Selector on page 2. UDC is still on a roll and, with what we see as moderately lower interest rates ahead, we feel that momentum alone should carry UDC to additional EPS gains in the 10-15% range in 1990. While UDC's focused approach has worked well during the long housing boom, it remains untested in a down cycle. UDC's units provide a 10.2% yield for individuals. Tax exempt institutions can hold the preferreds with less IRS paperwork than the common units. (MJH)

UDC: NYSE RANK B Dec. yrs. 7.19 mil. units
Price: \$23.25 Div. \$2.40 Yield 10.2% Price/EPS 5.6E

	Op.EPS	Div.	High	Low	Yield
1986	\$2.90	\$2.33	\$26.88	\$15.13	15.4- 8.7
1987	3.20	2.20	27.13	11.75	18.7- 8.1
1988	3.80	2.35	20.13	13.88	16.9-11.7
1989E	4.15	2.60	25.25	17.75z	
1990E	4.50				

z-To date.

Share data: Institutions own 27.0%; insiders 32.4%. Avg. weekly trading: 138,000 sh. **Finances 9/89 (Mil. \$):** Debt: \$320.8M Common limited partners equity (net of preferred at liquidation value): \$24.3M equals \$3.38/unit. Debt/total equity ratio: 2.51 to 1. **Address:** 4812 South Mill Avenue, Tempe, AZ 85282. Phone (602) 820-4488.

THE RYLAND GROUP, INC. (RYL: NYSE) RANK A

RYL is a major builder of single family attached and detached homes nationwide (with a mid-Atlantic modular housing unit). Its growing financial services group includes a large mortgage banking company, asset management for a recently created collateralized mortgage obligation (CMO) REIT, RAC Mortgage, and a parallel mortgage investment fund. RYL earnings are expected to fall in 1989 but rebound in 1990 in a lower interest rate climate. The A-Ranked shares remain in Portfolio Selector.

Gut Issue: Can RYL get its flagging modular housing business back on track? Ryland Modular Homes' unit deliveries fell 39% in the Sept. nine months to 851 DU and new contracts dropped 41%. Backlog is off 40% to 486 DU. While modular line results aren't broken out separately, we estimate this small line, only 13% of RYL's overall housing business, is losing money and lowering margins. The weakness reflects inability of RYL's smaller builder customers to sustain sales volumes until the mortgage rate climate improves. For this reason we expect much less drag from modulars in 1990.

California markets, represented by M.J. Brock Homes and joint ventures, are also turning softer and may be a negative. Brock should deliver about 1,300 homes this year, down about 5%-10%. But Calif. markets aren't a source of real concern as backlog is up 34% to 729 homes at end of Sept., and new order flow continues positive.

Price creep. Like many entry-level market builders, RYL's selling prices are creeping up. This trend is worrisome because

house prices have outrun affordability in many parts of the country, notably East and West Coasts, and runaway prices often carry the seeds of downturn. RYL's average house price delivered has been running about \$108,000 in 1989, up 8% from \$100,900 in 1988. Average price of 4,254 homes in backlog rose even more to \$136,000 at end of Sept. Thus while deliveries may fall about 4% to 8,900 homes for 1989 (vs. 9,354 in 1988), dollar value of homes closed will rise to nearly \$1 bil. Even allowing for slight margin slippage, RYL will be strongly profitable in 1989 and lay the foundation for a gain in 1990.

Advice: Hold or buy long-term. RYL is trading at a 41% premium to book and at about 7.5 times our 1989 estimate. RYL is a quality homebuilding holding if you are willing to take a longer view. (KDC)

RYL: NYSE RANK A Dec. yrs. 13.3 mil. shares.
Price: \$20.75 Div. \$0.60 Yield 2.9% Price/EPS: 7.5E

	Op.EPS	Div.	High	Low	P/E Ratio
1986	\$2.02	\$0.38	\$27.63	\$11.25	13.7-5.6
1987	2.46	0.38	32.25	11.50	13.1-4.7
1988	3.10	0.53	20.63	12.75	6.7-4.1
1989E	2.75	0.60	25.75	18.25z	
1990E	3.15				

z-To date.

Share data: Institutions own 85.0%; insiders 6.0%. Avg. weekly volume: 166,000 sh. **Finances 9/89 (Mil. \$):** Non-finance debt: \$230.3M; Equity: \$191.2 or \$14.71/share. Debt/equity ratio: 1.2-1.

Address: Box. 4000, 10221 Wincopin Cir., Columbia, MD 21044. (301) 730-7222.

QUALIFIED REAL ESTATE INVESTMENT TRUSTS

RANK	NAME (REVIEW DATE)	EXCH/ SYMBOL	GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE FROM OCT 27 JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BK\$	MKT VAL MIL \$		
B	AMER HEALTH PROP# (06/14/89)	NY-AHE	2	13880	19.05	2.28	SEP	2.58 U	22.88X	4.2	28.0	8.9	10.0	20.1	13.5	317.5
B	AMER SW MTG INVT# (01/27/89)	AS-ASR	4	14326	9.73	0.48	S SEP	0.57 D	4.88	8.3	-40.9	8.6	9.8	-49.9	5.9	69.8
B	AMERICAN REALTY (08/11/89)	NY-AMB	4	6356	15.16	1.52	JUN	0.94	7.50	-3.2	-16.7	8.0	20.3	-50.5	6.2	47.7
B	F-ANGELES FINE TRST (06/14/89)	NY-ANF	4	1051	17.78	1.96	S JUN	2.06	15.38	1.7	5.1	7.5	12.7	-13.5	11.6	16.2
B	AMORELL REAL EST# (06/14/89)	NY-ACR	2	3622	13.31	1.52	SEP	1.74	10.13	-1.2	24.6	5.8	15.0	-23.9	13.1	36.7
B	ASSET INVESTORS (09/09/88)	NY-AIC	4	13892	14.55	1.60	SEP	1.62 U	9.75	14.7	-13.3	6.0	16.4	-33.0	11.1	135.4
B	F-BAY MEADOWS OPER (08/12/88)	AS-CJ	1	5773	4.35	0.95	JUN	0.63	17.75	-11.3	12.7	28.2	5.4	308.0	14.5	102.5
B	BODDIE-MOEL PROP# (08/12/88)	AS-BNP	2	2850	11.41	1.36	SEP	1.32 D	11.25	0.0	-15.1	8.5	12.1	-1.4	11.6	32.1
A	BRADLEY RL EST # (10/20/89)	AS-BTR	1	4175	6.32	0.68	S JUN	0.55	10.25	-5.7	-24.1	18.6	6.6	62.2	8.7	42.8
A	BRE PROPERTIES # (10/20/89)	NY-BRE	1	7881	19.66	2.40	JUL	2.54	28.88	-2.9	-6.1	11.4	8.3	46.9	12.9	227.6
A	BRT REALTY (09/29/89)	NY-BRT	4	7360	14.44	2.00	S SEP	2.31 D	13.00	-5.5	-30.7	5.6	15.4	-10.0	16.0	95.7
A	BURNHAM PAC PROP# (10/20/89)	AS-BFP	1	5920	14.88	1.36	SEP	2.23	19.88	-3.0	6.0	8.9	6.8	33.6	15.0	117.7
A	CALIFORNIA REI (09/29/89)	NY-CT	1	9059	7.11	0.20	MAR	-0.03	3.00	-14.3	-47.8	0.0	6.7	-57.8	-0.4	27.2
A	CAPITAL HSGMTG (11/24/89)	AS-CAP	4	4982	8.82	0.74	JUN	0.62	7.38	0.0	1.7	11.9	10.0	-16.4	7.0	36.7
A	CAPSTEAD MTG CORP (09/09/88)	NY-CMO	4	8700	20.25	2.16	SEP	2.15	18.13	5.8	9.8	8.4	11.9	-10.5	10.6	157.7
A	F-CEDAR INCOME FD # (09/09/88)	OC-CEDR	1	2329	8.14	0.52	U SEP	0.36 D	5.50X	2.4	-18.5	15.3	9.5	-32.4	4.4	12.8
C	CENVILL INVSTR (08/11/89)	NY-CVI	3	6883	12.61	1.40	SEP	1.25 D	9.88	-3.7	-36.8	7.9	14.2	-21.7	9.9	68.0
C	CHICAGO DOCK&CANL (03/10/89)	OC-DOCKS	1	5784	6.93	0.24	JUL	0.80	24.50X	-2.7	-1.0	30.6	1.0	253.5	11.5	141.7
C	CLEVELYTRST RLTY # (08/12/88)	OC-CTRIS	1	1968	18.53	0.00	JUN	0.79	4.75	0.0	2.7	6.0	0.0	-74.4	4.3	9.3
C	COLUMBIA RE INVT# (09/09/88)	AS-CIV	4	5468	9.40	0.92	SEP	0.92 U	7.25	3.6	9.4	7.9	12.7	-22.9	9.8	39.6
C	COLEY PROPS # (06/23/89)	NY-COP	3	4008	16.58	1.44	SEP	1.55 D	11.75	-13.0	-32.4	7.6	12.3	-29.1	9.3	47.1
C	COUNTYWIDE MTG (09/09/88)	NY-CWM	4	13685	8.14	0.56	SEP	0.72 D	3.88	3.3	-27.9	5.4	14.5	-52.4	8.8	52.9
C	COUSINS PROPS (03/10/89)	OC-COUS	1	17307	6.17	0.60	SEP	0.53 D	17.25	-4.2	12.2	32.5	3.5	179.6	8.6	298.5
C	F-CRI INS MTG II (03/10/89)	NY-CII	4	8536	15.16	1.30	JUN	1.48	12.75	8.5	-8.1	8.6	10.2	-15.9	9.8	108.8
B	DEL-VAL FINCL (08/11/89)	NY-DVL	4	5510	12.44	1.86	JUN	1.85	18.25X	0.8	9.8	9.9	10.2	46.7	14.9	100.6
B	DIAL REIT INC # (10/27/89)	OC-DRE	1	5322	16.96	1.68	SEP	1.76	17.25	-2.8	-2.8	9.8	9.7	1.7	10.4	91.8
B	DUKE RLTY INVT# (10/27/89)	NY-DRE	1	8594	6.99	0.68	S JUN	0.67	5.13X	-1.5	-8.9	7.6	13.3	-26.7	9.6	44.0
B	EASTGROUP PROPS (12/09/88)	AS-EGP	1	2513	23.94	2.60	SEP	5.91	20.50	-0.6	-4.7	3.5	12.7	-14.4	24.7	51.5
B	EASTOVER CORP (09/23/88)	OC-EASTS	3	1144	16.26	1.60	SEP	2.64 D	13.75	1.9	-8.3	5.2	11.6	-15.4	16.2	15.7
B	EMERALD MTG INVT# (09/23/88)	NY-EMR	4	8750	9.92	0.00	SEP	0.92	4.50	9.1	-42.9	4.9	0.0	-54.6	9.3	39.4
B	F-FOK RLTY INV I # (09/29/89)	NY-FKR	1	7589	14.22	0.00	JUN	1.52	7.50	-6.3	-30.2	4.9	0.0	-47.3	10.7	56.9
A	FEDERAL REALTY# (10/20/89)	NY-FRT	1	16347	10.73	1.40	JUN	1.59	23.13	0.0	9.5	14.5	6.1	115.5	14.8	378.0
B	FIRST COMINTL REIT (10/20/89)	OC-FCRES	4	5103	2.61	0.00	MAY	-0.81	0.25	0.0	-60.0	0.0	0.0	-90.4	-31.0	1.3
A	FIRST UNION RE# (10/20/89)	NY-FUR	1	17659	9.28	1.50	SEP	2.21	16.88	-1.5	-7.5	7.6	8.9	81.8	23.8	298.0
A	GOLDEN CORRAL # (06/14/89)	OC-GCRA	2	1480	9.38	1.00	SEP	1.08 D	7.25	-6.5	-12.1	6.7	13.8	-22.7	11.5	10.7
A	F-GRUBBELL'S REIT (06/14/89)	OC-GRIT	5	2500	8.91	0.72	SEP	0.48	6.88X	8.5	7.8	14.3	10.0	-22.8	5.4	17.2
A	HEALTH CARE PRP# (06/14/89)	NY-HCP	2	9200	22.23	2.91	SEP	2.84 D	29.13X	-0.5	12.6	10.3	10.0	31.0	12.8	268.0
B	HEALTH CARE REIT (06/14/89)	AS-HCN	4	6053	12.13	1.68	SEP	1.73 U	13.75	-2.7	15.8	7.9	12.2	13.4	14.3	83.2
B	HEALTHVEST # (08/25/89)	AS-HVT	2	10773	20.48	0.00	D SEP	2.36 D	4.50	-25.0	-74.3	1.9	0.0	-78.0	11.5	48.5
C	HLTH & REHAB PRP# (06/14/89)	NY-HRP	2	9998	8.78	1.16	SEP	1.20 U	9.63	-3.8	13.2	8.0	12.1	9.6	13.7	96.2
C	HMG/COURTLND PROP (09/29/89)	AS-HMG	1	1212	19.30	0.60	S SEP	-2.14 D	9.50	4.1	-24.0	0.0	6.3	-50.8	-11.1	11.5
C	P-HOLLYWOOD PK RLTY (02/24/89)	OC-HTRFZ	1	3956	0.70	0.00	JUN	-3.37	24.00	2.1	14.3	0.0	0.0	3328.6	-481.4	94.9
C	P-HOTEL INVESTORS# (10/27/89)	NY-HOT	1	12132	15.84	1.00	SEP	0.78 D	7.50	-6.3	-18.9	9.6	13.3	-52.7	4.9	91.0
A	HRE PROPERTIES # (04/21/89)	NY-HRE	1	6002	25.94	1.80	JUL	1.93	22.88	1.7	6.4	11.9	7.9	-11.8	7.4	137.3
C	ICH PROP INVT# # (06/23/89)	NY-ICH	3	5476	13.70	0.48	SEP	0.85 D	7.63	0.0	-19.7	9.0	6.3	-44.3	6.2	41.8
C	F-INCOME OPP RLTY # (04/28/89)	AS-IOT	3	3692	15.21	0.60	MAR	-1.02	6.25	2.0	-20.6	0.0	9.6	-58.9	-6.7	23.1
A	INTL INCOME PR# (04/28/89)	AS-IIP	1	15836	9.02	1.12	S SEP	1.74 D	13.50X	3.0	2.3	7.8	8.3	49.7	19.3	213.8
A	INTV MTG SECS (04/28/89)	OC-INTV	4	682	27.03	1.40	JUN	-2.18	6.50	-20.0	-23.5	0.0	21.5	-76.0	-8.1	4.4
A	IRT PROPERTY CORP (10/27/89)	NY-IRT	1	12186	9.00	1.16	S SEP	1.19 S	12.38X	-4.4	-16.4	10.4	9.4	37.5	13.2	150.8
B	KOGER EQUITY INC# (03/10/89)	AS-KE	1	14313	18.67	1.80	S SEP	1.92	18.13	-4.0	-3.3	9.4	9.9	-2.9	10.3	259.4
C	LAN HOUSING (05/13/88)	NY-LHC	5	2200	19.48	1.64	SEP	1.61	12.50	-8.3	-14.5	7.8	13.1	-35.8	8.3	27.5
B	LANDSING PACIFIC# (10/20/89)	AS-LFP	1	6157	19.19	0.80	S SEP	0.82 U	8.63	4.5	-2.8	10.5	9.3	-55.1	4.3	53.1
B	LINCOLN WC RL FMD (06/14/89)	AS-LNF	3	1998	12.25	0.84	SEP	0.33 D	8.00	-1.5	-11.1	24.2	10.5	-34.7	2.7	16.0
B	F-LINPRO SPEC'D PROP (06/14/89)	AS-LPO	1	1856	9.04	0.00	SEP	-0.02 D	1.38	-8.3	-47.6	0.0	0.0	-84.8	-0.2	2.6
C	LOMAS & NET MTG (02/10/89)	NY-LON	4	1704	21.41	1.60	SEP	0.06	6.50X	-35.1	-63.9	108.3	24.6	-69.6	0.3	76.1
C	LOMICAL PROPS # (02/10/89)	AS-LMP	2	2369	11.73	1.20	DEC	1.33	7.50	-6.3	-1.6	5.6	16.0	-36.1	11.3	17.8
B	MEDITRUST # (06/14/89)	NY-MT	2	15721	15.77	2.19	SEP	2.11 U	19.63	-3.7	15.4	9.3	11.2	24.4	13.4	308.5
C	F-MELLON PART MTG (08/25/89)	OC-MPHTS	5	8645	9.11	0.80	JUN	0.75	6.50	-3.7	-13.3	8.7	12.3	-28.6	8.2	56.2
C	MERRI LAND & INV (09/09/88)	OC-MERI	3	9779	7.21	0.20	SEP	0.93	5.13X	1.4	-31.7	5.5	3.9	-28.9	12.9	50.1
B	MGI PROPERTIES # (07/08/88)	NY-MGI	1	9432	17.68	1.12	AUG	1.55	13.50	2.9	-23.4	8.7	8.3	-23.6	8.8	127.3
B	MONMOUTH REIT # (01/27/89)	OC-MNRTS	3	1810	4.45	0.70	JUN	0.69	6.00	-7.7	0.0	8.7	11.7	34.8	15.5	10.9
B	MBA REALTY CORP # (08/25/89)	AS-MBS	3	8647	7.32	0.60	JUN	0.38	9.38	-2.6	19.0	24.7	6.4	28.1	5.2	81.1
B	MTG & RLTY TRUST (08/25/89)	NY-MRT	3	10872	16.95	2.00	SEP	1.85	15.25	-9.6	-10.3	8.2	13.1	-10.0	10.9	165.8
B	MTG INVTMT PLUS# (08/25/89)	AS-MIP	3	9020	8.42	0.80	S JUN	0.58	7.13	-1.7	-1.7	12.3	11.2	-15.4	6.9	64.3
C	NATIONWIDE HLTH # (06/14/89)	NY-NWP	2	8195	20.52	1.00	SEP	2.32	12.13	1.0	3.2	5.2	8.2	-40.9	11.3	99.4
A	NEW PLAN RLTY TR# (10/27/89)	NY-NPR	1	34713	8.48	1.02	JUL	0.87	17.25	1.5	8.7	19.8	5.9	103.4	10.3	598.8
A	F-NOOKY RLTY TR# (09/29/89)	OC-NRI	1	867	16.59	0.32	JUN	0.31	9.00	-5.3	2.9	29.0	3.6	-45.8	1.9	7.8
B	ONE LIBERTY PMS (06/23/89)	AS-OLP	2	2203	13.42	0.00	JUN	0.01	11.00	0.0	-22.8	1100.0	0.0	-18.0	0.1	24.2
A	PENN REIT# (10/27/89)	AS-PEI	1	8207	10.00	1.68	AUG	1.64	23.75	-3.6	4.4	14.5	7.1	137.5	16.4	194.9
A	PITTS & WVA RR (06/14/89)	AS-PW	2	1510	6.07	0.56	S JUN	0.55	5.88	0.0	-6.0	10.7	9.5	-3.2	9.1	8.9
B	PRESIDENTL RL-AL (06/14/89)	AS-PDL.A	3	479	4.39	1.66	JUN	1.97	10.00	2.6	-27.9	5.1	16.6	127.8	44.9	4.8
B	PRESIDENTL RL-BW (06/14/89)	AS-PDL.B	3	2815	4.39	1.66	JUN	1.97	9.88	5.3	-29.5	5.0	16.8	124.9	44.9	27.8
B	PROPERTY CAPITAL (08/26/88)	AS-PCT	3	10869	13.90	1.12	D JUL	1.83	13.38	-5.3	-34.4	7.3	8.4	-3.8	13.2	145.4
A	PROPERTY TR AMEN# (09/29/89)	NY-PTA	1	5061	10.49	0.84	S JUN	0.87	9.63X	-1.7	-1.3	11.1	8.7	-8.2	8.3	48.7
B	F-PRU RL CAPITAL # (07/08/88)	NY-PRT	1	11135	1.44	0.00	---	0.00	0.94	-6.3	-25.0	0.0	0.0	-34.9	0.0	10.4
B	F-PRU RL INCOME # (07/08/88)	NY-PRTPR	1	11135	8.00	0.69	S JUN	0.68	6.00X	0.8	-4.0	8.8	11.5	-25.0	8.5	66.8
B	RAC															

RANK	NAME (REVIEW DATE)	EXCH/ SYMBOL	GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE OCT 27	FROM JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BK	MKT VAL MIL \$	
A	P-SANTA ANITA (04/28/89)	NY-SAR	1	10926	10.564	2.08	SEP	1.53	29.00	-1.7	-10.8	19.0	7.2	174.6	14.5	316.9
A	P-SIERRA CAP RLY INV	AS-SZD	1	7470	7.904	0.30	JUN	0.24	4.00	-11.1	-28.9	16.7	7.5	-49.4	3.0	29.9
A	P-SIERRA CAP RLY VI	AS-SZF	1	3533	8.114	0.28	JUN	0.23	4.38X	-12.0	-40.7	19.0	6.4	-46.1	2.8	15.5
A	P-SIERRA RE EQB30	OC-SETES	1	3032	7.464	0.25	JUN	0.48	5.50	0.0	-12.0	11.5	4.5	-26.3	6.4	16.7
A	P-SIERRA RE EQB40	OC-SETC	1	4887	6.794	0.00	MAR	0.49	4.00	14.3	-27.3	8.2	0.0	-41.1	7.2	19.5
B	SIZLER PROP INV# (02/24/89)	NY-SIZ	1	3714	18.85	1.56	S JUN	1.48	13.63X	-3.3	-7.6	9.2	11.4	-27.7	7.9	50.6
C	STORAGE EQUITIES (10/14/88)	NY-SEQ	1	10943	14.50	1.40	S SEP	1.01 D	12.63	-1.9	12.2	12.5	11.1	-12.9	7.0	138.2
A	TIS MTG INVTMT (09/23/88)	NY-TIS	4	8100	9.01	1.20	SEP	0.94	7.88	-1.6	-1.6	8.4	15.2	-12.6	10.4	63.8
C	F-TRAIL CROW REIS (07/08/88)	NY-TCR	1	9075	9.014	0.70	S SEP	1.14 D	5.00X	3.5	-31.0	4.4	14.0	-44.5	12.7	45.4
A	F-TRANSCONTL RLT# (09/09/88)	NY-TCI	3	12280	13.54	0.70	MAR	-1.45	3.63	-9.4	-31.0	0.0	19.3	-73.2	-10.7	44.5
A	UNIV HEALTH RLT# (06/14/89)	NY-UHT	2	7047	14.03	1.48	SEP	1.59	13.75	-3.5	15.8	8.6	10.8	-2.0	11.3	96.9
B	USP RL EST INV#	AS-UHT	1	3880	7.894	1.00	JUN	0.19	5.88X	-5.8	-25.4	30.9	17.0	-25.5	2.4	22.8
A	UTD DOMINON RLY# (10/27/89)	OC-UORT	1	11587	13.814	1.24	SEP	1.26 U	17.75	-2.7	-2.1	14.1	7.0	28.5	9.1	205.7
A	F-VMS HOTEL INVTMT	AS-VHT	5	9863	8.72	0.90	SEP	0.68 U	3.88	-22.5	-40.4	5.7	23.2	-55.6	7.8	38.2
A	VMS MTG INVTMT FD (11/24/89)	NY-VHG	5	39709	8.81	1.20	SEP	1.07	5.75	-11.5	-42.5	5.4	20.9	-34.7	12.1	228.3
A	VMS S/T INCOME	AS-VST	4	6918	9.28	1.16	SEP	0.99 D	5.13	-21.2	-33.9	5.2	22.6	-44.8	10.7	35.5
A	VMS STRATEGIC LAND	OC-VLANS	5	11994	8.88	1.20	SEP	1.11 U	4.88	-27.8	-33.9	4.4	24.6	-45.1	12.5	58.5
A	WASH RE (WRI) (04/21/89)	AS-WRE	1	15434	7.354	1.08	U SEP	1.18 U	19.38	0.6	-7.7	16.4	5.6	163.6	16.1	299.0
D	WEDGESTONE FINCO (08/11/89)	NY-WDG	4	5795	5.85	0.00	SEP	-2.24 U	1.00	-27.3	-63.6	0.0	0.0	-82.9	-38.3	5.8
A	WEINGARTEN RLY# (10/20/89)	NY-WRI	1	13986	13.824	1.76	SEP	2.44	30.38	1.3	18.5	12.4	5.8	119.8	17.7	424.8
A	WESTERN INV RES (10/20/89)	AS-WIR	1	15969	14.644	1.40	U JUN	1.46	18.13X	0.5	2.1	12.4	7.7	23.8	10.0	289.4
COMPANIES AND MASTER LIMITED PARTNERSHIPS																
A	ABRAMS INDS INC	OC-ABRI	10	2978	5.83	0.20	JUL	0.43	4.75	5.6	14.9	11.0	4.2	-18.5	7.4	14.1
A	LP-AMER INS MTG 84	OC-AIMAZ	9	10000	19.38	1.50	DEC	2.18	14.25	-6.6	-7.3	6.5	10.5	-26.5	11.2	142.5
C	LP-AMER RE PARTNERS (07/14/89)	NY-ACP	8	14543	17.29	2.00	SEP	1.82 S	11.75	-6.9	-22.3	6.5	17.0	-32.0	10.5	170.9
L	AMERICAN HOTEL (04/08/88)	NY-AHR	L	4920	9.50	8.00	SEP	0.93 D	6.63	-1.9	29.3	7.1	120.8	-30.3	9.8	32.6
C	AMREP CORP (09/15/89)	NY-AXR	7	6618	10.25	0.00	JUL	0.22	7.63	-1.6	-1.6	34.7	0.0	-25.6	2.1	50.5
A	ANGELES CORP	AS-ANG	11	3097	5.99	0.00	JUN	-0.07	8.25	3.1	43.5	0.0	0.0	37.7	-1.2	29.6
E	VJ-BAY FINCL CORP	NY-BAY	8	3851	-6.694	0.00	JUN	-15.97	1.13	-66.7	-90.3	0.0	0.0	0.0	0.0	4.3
C	LP-BURGER KING INV # (07/14/89)	NY-BKP	8	4635	17.59	1.80	D SEP	1.76 D	13.75	-5.2	3.8	7.8	13.1	-21.8	10.0	63.7
C	LP-CAL FED INC PTNR# (07/28/89)	NY-CFI	8	13169	6.89	1.00	SEP	0.82 U	6.63	-11.7	0.0	8.1	15.1	-3.8	11.9	87.2
C	CALPROP CORP	AS-COP	7	4617	8.58	0.00	SEP	1.17	7.50	6.4	8.2	6.4	0.0	-12.6	13.6	34.6
C	CALTON INC (06/10/88)	NY-CW	7	23797	2.86	0.00	AUG	0.24	1.25	-9.1	-58.3	5.2	0.0	-56.3	8.4	29.7
A	CENTENNIAL GROUP	AS-CRQ	10	26200	5.65	0.00	SEP	0.10 U	1.50	-7.7	-55.6	15.0	0.0	-73.5	1.8	39.3
A	CENTEX CORP (11/10/89)	NY-CTX	6	14936	26.78	0.40	S SEP	3.52	33.00	-1.1	12.8	9.4	1.2	23.2	13.1	492.9
B	CHAMPION ENTERPRISES	AS-CHB	12	7167	4.99	0.00	AUG	-1.39	3.13	-10.7	-16.7	0.0	0.0	-37.4	-27.9	22.4
C	CHRISTIANA COS	NY-CST	7	5192	5.29	0.00	SEP	0.34 U	9.00	5.9	44.0	26.5	0.0	70.1	6.4	46.7
B	CLAYTON HOMES	NY-CMH	12	15767	5.55	0.00	SEP	1.04	9.25	5.7	8.8	8.9	0.0	66.7	18.7	145.8
A	LP-CMWLTH MTG AM-A	NY-CMA	9	35000	0.15	0.00	SEP	-0.29 U	0.63	122.4	-68.8	0.0	0.0	316.7	-193.3	21.9
A	CONGRESS ST PROPS	OC-CSTP	10	1075	12.39	0.00	MAY	-0.51	4.25	6.3	-33.3	0.0	0.0	-65.7	-4.1	4.6
C	CONTL RMS HOLDING	OC-COHN	7	3515	7.68	0.00	AUG	0.63	8.50	17.2	126.7	13.5	0.0	10.7	8.2	29.9
L	F-CONTL MTG&EQUITY (03/24/89)	OC-CMETS	L	11486	8.89	0.10	SEP	-0.85 U	3.00	0.0	-29.4	0.0	3.3	-66.3	-9.6	34.5
B	COUNTRYWIDE CRDIT (02/24/89)	NY-CCR	9	16789	6.69	0.27	AUG	0.74	7.75	-6.1	24.0	10.5	3.5	15.8	11.1	130.1
D	COVINGTON DEVLPMT	OC-COVT	7	13943	0.80	0.00	SEP	0.43 D	1.03	-13.3	106.0	2.4	0.0	28.8	53.8	14.4
A	LP-CRI INS MTG INV	NY-CRM	9	9100	11.84	1.26	JUN	2.84	11.38	4.6	-11.7	4.0	11.1	-3.9	24.0	103.5
D	DELTONA CORP	NY-DLT	7	5579	4.82	0.00	SEP	0.04 D	5.00	8.1	0.0	125.0	0.0	3.7	0.8	27.9
A	LP-EMERALD HOMES LP	NY-EHP	7	5225	5.87	0.80	SEP	0.27 D	3.88	-29.5	-54.4	14.4	20.6	-34.0	4.6	20.2
A	LP-EQ GRN ACRES LP# (07/28/89)	NY-EQA	8	10173	8.034	1.28	SEP	1.30 U	11.75	-2.1	-6.9	9.0	10.9	46.3	16.2	119.5
C	LP-EQUITABLE RE SC # (07/28/89)	NY-EQM	8	10700	8.084	1.04	JUN	0.62	7.75	-3.1	-12.7	12.5	13.4	-4.1	7.7	82.9
D	EQUITEC FNCL GP	NY-EFG	11	4952	1.40	0.00	SEP	-1.65 D	2.50	-13.0	-4.8	0.0	0.0	78.6	-117.9	12.4
C	FAIRFIELD COMM (09/15/89)	NY-FCI	7	10922	9.91	0.00	SEP	0.20	4.50	-25.0	-26.5	22.5	0.0	-54.6	2.0	49.1
A	FED NATL MTG (08/11/89)	NY-FNM	9	238591	10.19	0.56	SEP	2.90	40.38	8.4	138.7	13.9	1.4	296.2	28.5	963.1
A	FIRST CAROLINA	OC-FCAR	10	697	31.78	0.50	JUN	0.82	33.00	1.5	11.9	40.2	1.5	3.8	2.6	23.0
B	FLEETWOOD ENTER (09/25/89)	NY-FLE	12	22908	17.49	0.76	JUL	2.91	23.25	-7.0	-7.5	8.0	3.3	32.9	16.6	532.6
B	FOREST CITY-A# (09/15/89)	AS-FCE.A	8	4059	29.014	0.42	APR	3.17	44.50	-1.1	10.9	14.0	0.9	53.4	10.9	180.6
B	FOREST CITY-B# (09/15/89)	AS-FCE.B	8	3890	29.014	0.36	APR	3.17	50.25	-2.4	21.5	15.9	0.7	73.2	10.9	195.5
C	LP-FORUM RET PFD UM# (06/14/89)	AS-FRL	8	6510	8.744	1.35	SEP	0.58 U	3.13	-7.4	-49.0	5.4	43.2	-64.2	6.6	20.3
A	FPA CORP	AS-FPO	7	4011	6.98	0.00	JUN	-2.15	2.00	-23.8	-48.4	0.0	0.0	-71.3	-30.8	8.0
C	GENERAL DEVLPMT (09/15/89)	NY-GDV	7	8446	18.43	0.00	SEP	0.42	12.00	0.0	-5.0	28.6	0.0	-34.9	2.3	102.0
D	GENERAL HOMES	NY-GHO	6	15009	-9.35	0.00	JUN	-10.82	0.63	25.0	25.0	0.0	0.0	0.0	0.0	9.4
B	LP-GOULD INVSTRS LP# (09/29/89)	AS-GLP	8	1075	19.08	0.00	JUN	3.58	55.50	-2.8	13.3	15.5	0.0	190.9	18.8	59.7
C	GRUBB & ELLIS CO (06/10/88)	NY-GRE	11	16187	5.07	0.00	SEP	0.06	4.00	-5.9	0.0	66.7	0.0	-21.1	1.2	64.7
A	HAMMOND CO	OC-THCO	9	1660	5.00	0.10	SEP	-0.37	7.25	3.6	141.7	0.0	1.4	45.0	-7.4	12.0
B	HOVNAMIAN ENTR (11/10/89)	AS-HOV	7	20848	6.07	0.00	AUG	1.27	9.13	-5.2	37.7	7.2	0.0	50.3	20.9	190.2
A	INDIANA FNCL INV (09/14/89)	OC-IFII	8	963	12.94	0.00	SEP	1.15 U	8.25	10.0	40.4	7.2	0.0	-36.2	8.9	7.9
D	INTEGRATED RESC (08/11/89)	NY-IRE	11	7420	18.81	0.00	MAR	1.73	1.00	-11.1	-92.8	0.6	0.0	-94.7	9.2	7.4
B	LP-INTERSTATE GEN CO (09/29/89)	AS-IGC	8	9900	3.72	0.80	U SEP	1.19 D	7.13X	1.0	9.6	6.0	11.2	91.5	32.0	70.5
A	INTL AMER HOMES	OC-HOME	7	7255	4.60	0.00	SEP	0.47 D	1.75	-22.2	16.7	3.7	0.0	-62.0	10.2	12.7
L	JMB REALTY	OC-JMBRS	L	1423	10.97	0.35	MAY	2.72	7.50	-9.1	-32.1	2.8	4.7	-31.6	24.8	10.7
A	KAUFMAN & BROAD RM (11/10/89)	NY-KBH	6	27604	5.52	0.30	AUG	2.19	15.63X	0.5	83.8	7.1	1.9	183.1	39.7	431.3
A	KOGER PROPS# (03/10/89)	NY-KOG	8	26260	9.17	2.80	S SEP	2.78 D	24.75	2.6	-0.5	8.9	11.3	189.9	30.3	649.9
D	LP-LA QUINTA MTR INV (07/14/89)	NY-LQP	8	3975	16.124	2.00	S JUN	1.20	7.00X	-6.3	-38.5	5.8	28.6	-56.6	7.4	27.8
C	LANDMARK LAND (09/15/89)	AS-LML	10	7995	7.07	0.40	SEP	0.25 D	14.13	-26.6	-29.8	56.5	2.8	99.8	3.5	112.9
C	LEISURE&TECH (11/24/89)	NY-LVY	7	5433	5.11	0.00	SEP	-0.22 U	3.00	-25.0	-22.6	0.0	0.0	-41.3	-4.3	16.3
A	LENNAR CORP (11/10/89)	NY-LEN	6	6667	25.02	0.24	AUG	2.80	21.25X	1.5	20.6	7.6	1.1	-15.1	11.2	141.7
A	LOAN AMER FNCL-B	OC-LAFCB	9	1987	8.11	0.00	SEP	0.54 D	5.50	10.0	15.8	10.2	0.0	-32.2	6.7	10.9
E	VJ-LOHAS FINANCIAL (09/29/89)	NY-LFC	9	29914	-3.89	0.00	SEP	-8.80 D	0.94	-25.0	-92.6	0.0	0.0	0.0	0.0	28.0
C	M/I SCHOTTRSTN RMS	OC-MINO	7	5920	3.56	0.00	SEP	0.78 D	6.63	1.9	26.2	8.5	0.0			

RANK	NAME(REVIEW DATE)	EXCH/ SYMBOL	GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE FROM OCT 27 JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BK	MKT VAL MIL \$
L	F-NATL INCOME RLTY (03/24/89)	OC-NRHS	L	11362	9.80	0.12	SEP -3.19 U	3.25	8.3	-27.8	0.0	3.7	-66.8	36.9
A	LP-NEWHALL LAND (09/29/89)	NY-NHL	10	20001	7.43	1.70	SEP 2.53 U	59.00X	-9.2	4.2	23.3	2.9	694.1	1180.1
C	LP-NTR L.P. (11/10/89)	AS-NVR	6	25391	4.43	0.80	SEP 1.36 U	6.00	-9.4	2.1	4.4	13.3	35.4	152.3
B	OAKWOOD HOMES	NY-OH	12	5201	9.89	0.08	SEP 0.54 S	6.38X	-3.5	-7.3	11.8	1.3	-35.5	33.2
B	ORIOLE HOMES-A (05/26/89)	AS-OHC.A	7	1917	13.86	0.55	SEP 1.96	9.63	1.3	-4.9	4.9	5.7	-30.6	18.5
B	ORIOLE HOMES-B (05/26/89)	AS-OHC.B	7	1883	13.86	0.60	SEP 1.96	9.25	-5.1	-6.3	4.7	6.5	-33.3	17.4
C	PACESETTER HOMES	OC-PACE	7	1542	7.46	0.00	SEP 1.67 U	8.25	3.1	83.3	4.9	0.0	10.6	12.7
C	PARKWAY COMPANY	OC-PKWT	10	1324	27.06	0.80	SEP -0.02 D	14.25X	1.4	-10.9	0.0	5.6	-47.3	18.9
B	PATTEN CORP	NY-PAT	7	17031	5.01	0.12	SEP 0.18 D	2.75	4.8	-26.7	15.3	4.4	-45.1	46.8
B	PERINI INV PR# (09/15/89)	AS-PNV	8	3878	0.02	0.60	SEP 1.72 D	16.00X	-2.1	-2.3	9.3	3.8	NC	62.0
C	PETERS(JM) CO INC (11/10/89)	AS-JMP	7	13980	8.82	0.00	AUG 2.36	10.13	-12.0	17.4	4.3	0.0	14.8	141.5
C	PHM CORP (05/26/89)	NY-PHM	6	25280	11.60	0.12 S	SEP 2.32 U	14.00	-9.7	25.8	6.0	0.9	20.7	353.9
C	LP-PRIME MTR INN LP# (07/14/89)	NY-PMP	8	4000	19.42	2.04	JUN 2.43	12.13	-17.1	-24.2	5.0	16.8	-37.6	48.5
D	PUNTA GORDA	AS-PGA	7	2905	-2.84	0.00	JUN -1.45	0.75	20.0	-71.4	0.0	0.0	0.0	2.2
C	READING CO (11/25/88)	OC-RDC	8	4971	11.94	0.00	SEP 6.03 D	12.13	0.0	3.2	2.0	0.0	1.5	60.3
C	LP-RED LIONS INNS # (07/14/89)	AS-RED	8	4312	17.53	2.10	SEP 1.97	18.38	5.8	24.6	9.3	11.4	4.8	79.2
B	ROCKWOOD NATL	PS-RNC	7	9825	2.32	0.00	SEP -0.43 D	0.44	-12.4	-73.0	0.0	0.0	-81.1	4.3
A	ROUSE CO# (09/15/89)	OC-ROUS	8	47967	6.14	0.56	SEP 0.82	25.50	3.0	4.1	31.1	2.2	315.3	1223.2
A	RYLAND GROUP (11/24/89)	NY-RYL	10	12877	14.61	0.60	SEP 2.74	20.75	0.0	0.6	7.6	2.9	42.0	267.2
B	SANTA FE PACIFIC	NY-SFX	6	157647	4.30	0.10	SEP 2.40 U	18.38X	-2.1	6.5	7.7	0.5	327.3	2896.8
C	LP-SHOPCO LAUREL CTR# (07/14/89)	AS-LSC	8	4660	7.77	1.10 S	JUN 1.15	9.38	1.4	-2.6	8.2	11.7	20.7	43.7
B	SKYLINE CORP	NY-SKY	12	11217	13.74	0.48	AUG 1.36	14.25	1.8	-8.1	10.5	3.4	3.7	159.8
B	VJ-SOUTHWEST CORP (07/14/89)	NY-SM	10	45117	-18.87	0.00	MAR -28.99	0.16	-17.0	-90.4	0.0	0.0	0.0	7.0
D	LP-SOUTHWEST RLTY# (09/29/89)	AS-SWL	8	4087	4.68	0.00	SEP -0.17 U	1.38	-15.4	69.1	0.0	0.0	-70.6	5.6
B	STARRETT HOUSING	AS-SHO	7	6440	5.02	0.00	SEP 0.72 D	6.50	8.3	8.3	9.0	0.0	29.5	41.9
A	LP-STD PACIFIC L.P. (11/10/89)	NY-SPF	6	27056	8.39	1.80	SEP 3.75	15.63X	7.2	30.2	4.2	11.5	86.2	422.8
B	TEJON RANCH CO (11/24/89)	AS-TJC	10	12682	2.38	0.05	SEP 0.17	49.00	-2.0	38.0	288.2	0.1	1958.8	621.4
C	TIERCO OF INC	OC-TIERC	8	2126	-6.89	0.00	SEP -13.38 D	1.00	0.0	-78.9	0.0	0.0	0.0	2.1
C	TOLL BROS (05/26/89)	NY-TOL	6	29920	2.54	0.00	JUL 0.51	3.38	-15.6	-28.9	6.6	0.0	32.9	101.0
B	LP-UDC-UNIVRSL DEV (11/24/89)	NY-UDC	7	7186	3.38	2.40 S	SEP 4.36 U	23.00	2.2	22.7	5.3	10.4	580.5	165.3
C	UNICORP AMER	AS-UAC	10	17300	5.60	0.00	SEP -2.71 D	2.50	-16.7	-56.5	0.0	0.0	-55.4	43.3
C	UNION VALLEY CORP	AS-UVC	7	4759	4.84	0.00	SEP -0.19	4.25	-2.9	-44.3	0.0	0.0	-12.2	20.2
C	US HOME CORP (11/10/89)	NY-UH	8	44031	4.18	0.00	SEP 0.06	1.38	22.2	-35.3	22.9	0.0	-67.1	60.5
B	LP-US REALTY PRHS#	OC-USRLZ	6	1222	14.38	1.56	SEP 1.80 D	6.00X	6.5	-20.0	3.3	26.0	-58.3	7.3
L	VINLAND PROPERTY	OC-VIPTS	L	5966	2.37	0.00	AUG -1.28	0.44	-6.6	-61.1	0.0	0.0	-81.5	2.6
L	LP-VMS MORTGAGE INV	OC-VMLPZ	9	7629	9.25	1.08	SEP 1.01 D	4.00	-33.3	-45.8	4.0	27.0	-56.8	30.5
B	WASHINGTON CORP	PH-TWC.X	7	1883	5.46	0.25	SEP 0.53 D	5.13	-12.8	-22.6	9.7	4.9	-6.1	9.7
B	WEBB (DEL) CORP (09/15/89)	NY-WBB	6	9368	6.93	0.00	SEP -1.70	8.13	-13.3	-47.2	0.0	0.0	17.2	76.1
B	LP-WINTHROP INS MTG	AS-WMI	9	3868	12.28	1.32	SEP 1.25 U	12.50	0.0	4.2	10.0	10.6	1.8	48.4
D	WRITER CORP	OC-WRTC	7	4400	0.28	0.00	JUN -3.92	0.75	-20.9	20.0	0.0	0.0	167.9	3.3

GROUP ACTION SUMMARY 11/20/89

GROUP NUMBER & NAME	DIV	NON-DIV	TOTAL	SHARE (000)	BOOK VALUE	ANNUAL DIV	EARN ANN	LAST PRICE	% CHANGE FROM OCT 27 JAN 1	P/E RATIO	ANNUAL YIELD	% PR TO BK	RETURN ON BK	MARKET VAL(000)
1 PROPERTY REITS	39	6	45	8760	11.70	0.96	1.01	13.45	-1.7	-4.3	13.3	7.1	14.9	5959.6
2 LEASEBACK REITS	11	2	13	6834	14.32	1.28	1.62	12.66	-2.0	-2.1	7.8	10.1	-11.6	1365.3
3 PROP & MTG COMB REITS	16	0	16	5742	11.14	1.03	0.91	8.93	-3.3	-22.4	9.8	11.5	-19.9	81.5
4 MORTGAGE REITS	19	4	23	7306	12.44	1.11	0.75	8.27	-1.6	-16.4	11.0	13.5	-33.6	1263.7
5 PARTICIPATING MTG REITS	9	0	9	16168	10.99	1.19	0.99	8.64	-3.8	-14.2	8.7	13.8	-21.4	1417.9
REIT AVERAGE			106	8382	12.04	1.06	1.01	11.14	-2.1	-9.0	11.0	9.5	-7.5	10825.1
6 MAJOR HOMEBUILDERS	7	5	12	21169	9.18	0.36	0.48	11.76	-1.9	8.1	24.5	3.0	28.1	2531.0
7 OTHER BLDG/DEVELOPERS	7	22	29	7378	6.33	0.18	0.42	6.33	-3.0	0.7	15.0	2.8	-0.1	1256.7
8 INCOME PROP BLDG/OWNR	18	6	24	8326	10.49	0.98	0.27	14.99	-2.5	-2.8	56.2	6.6	42.9	3314.2
9 MORTGAGE BANKER/FINANCE	7	3	10	35454	7.90	0.61	0.20	10.46	0.9	12.2	52.3	5.8	32.4	10161.0
10 DIVERSIFIED RLTY/HOLDING	9	4	13	39055	10.42	0.45	-1.49	24.07	-1.9	12.6	0.0	1.9	130.9	16269.1
11 RLTY SVCS/INDICATORS	0	4	4	7914	7.32	0.00	0.02	3.94	-3.1	-40.0	225.0	0.0	-49.6	110.1
12 MANUFACTURED HOUSING	3	3	6	11566	8.78	0.22	0.55	9.47	-2.8	-6.7	17.1	2.3	7.9	897.9
OTHER REALTY STOCKS AVERAGE			98	16614	8.61	0.23	0.11	11.98	-2.1	3.2	113.0	3.9	39.1	34539.9
L LIQUIDATING COMPANIES	5	1	6	7633	8.46	1.55	-0.14	4.02	-2.6	-15.6	NC	NC	-43.0	203.7
OVERALL AVERAGE			210	12351	10.39	0.78	0.58	11.55	-2.1	-3.3	20.0	6.7	11.1	45568.7
DOW JONES INDUSTRIALS							230.95	2632.04	1.4	21.4	11.4	4.0		
STANDARD & POOR'S 500							23.82	339.35	1.3	22.2	14.2	3.4		
DOW JONES UTILITIES							13.14	220.01	1.9	18.1	16.7	6.8		

SYMBOLS & ABBREVIATIONS

RANKINGS: A - Strongest in EPS/CFS/dividend growth, financial/liquidity position, and competitive posture in business segment. Buy; B - Above average in EPS/CFS/dividend growth, financial/liquidity position, and competitive posture in business segment. Above average market performer/buy; C - Average but some volatility apparent in EPS/CFS/dividends, financial/liquidity position, and open to competitive pressures. Speculative buy; D - Below average with high volatility in EPS/CFS/dividends, financial/liquidity pressures with some illiquidity, and less competitive business position. More speculative buy; E - Sustained losses and cash flow, illiquidity, and possible bankruptcy filing. Most speculative buy. * = Not Ranked. Z = Audit or affiliates involved in pending transaction. New EPS or Dividend: U=Up. D=Down. S=Unchanged. I=Initial. X=Ex Dividend. # = Net Cash Flow (EPS plus noncash charges less mortgage payments). @=Gross Cash Flow. Book value for cash flow entities includes accum. depreciation. Last bid prices used for OTC. P=Paired stock. \$=Current appraised value reported see p. 3. F=Finite life REIT. LP=Limited partnership. L=Liquidating. VJ=In bankruptcy reorganization. GROUP CHANGE: General Homes from Major Builders to Other Builders; Webb (Del E) from Diversified Realty to Major Homebuilders. ADJUSTED: Calprop 10% stock dividend payable 12/15/89 on 11/17/89 record. NAME CHANGE: Cedar Income Fund I to Cedar Income Fund Ltd.; Lomas Mortgage Corp. to Capstead Mortgage Corp. DELETED: Strategic Mtg. Investments acquired by Capstead Mtg.; Retirement Living Mtg. L.P. INSERTED: Capital Housing & Mortgage Partners Inc. in Mortgage REITs; Tejon Ranch Co. in Diversified Realty; VMS Mortgage Investment Fund in Participating Mtg. REITs.